

City of McLouth

Financial Statement

For the year ended December 31, 2014

ATC Accounting

City of McLouth, Kansas
Financial Statement
December 31, 2014

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INDEPENDENT AUDITOR'S REPORT

Component Units Are Omitted-Separate Entity Financial Statements Have Been Issued

Honorable Mayor and City Council
City of McLouth
McLouth, Kansas 66054

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of McLouth, Kansas, as of and for the year ended December 31, 2014 and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the Kansas Municipal Audit and Accounting Guide as described in Note 1 to meet the financial reporting requirements of the State of Kansas. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the Kansas Municipal Audit and Accounting Guide. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statement, the financial statement is prepared by the City of McLouth, Kansas to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of McLouth, Kansas as of December 31, 2014, or changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City of McLouth, Kansas as of December 31, 2014, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide described in Note 1.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the 2014 fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual, individual fund schedules of regulatory basis receipts and expenditures-actual (Schedules 1 and 2 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the 2014 basic financial statement, however are required to be presented under the provision of the Kansas Municipal audit and Accounting Guide. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2014 basic financial statement. The 2014 information has been subjected to the auditing procedures applied in the audit of the 2014 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2014 basic financial statement or to the 2014 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 2014 basic financial statement as a whole, on the basis of accounting described in Note 1.

The 2013 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures-actual (Schedule 2 as listed in the table of contents) are also presented for comparative analysis and are not a required part of the 2013 basic financial statement upon which we rendered as unqualified opinion dated June 30, 2014. The 2013 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration, Office of Management Analysis and Standards at the following link <http://da.ks.gov/ar/muniserv/>. Such 2013 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2013 basic financial statement. The 2013 comparative information was subjected to the auditing procedures applied in the audit of the 2013 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2013 basic financial statement or to the 2013 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2013 comparative information is fairly stated in all material respects in relation to the 2013 basic financial statement as a whole, on the basis of accounting described in Note 1.

ATC Accounting

ATC Accounting

June 30, 2015

City of McLouth, Kansas
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2014

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
GENERAL	\$ 81,405	\$ 404,273	\$ 368,809	\$ 116,869	\$ 7,438	\$ 124,307
SPECIAL PURPOSE FUNDS:						
Law Enforcement	18,072	10,240	16,044	12,268	-	12,268
Fire Equipment	13,167	10,252	2,184	21,235	-	21,235
Library	-	22,380	22,380	-	-	-
Special Highway	-	22,298	22,298	-	-	-
BOND AND INTEREST FUND:						
Bond and Interest	2,902	13,698	10,991	5,609	-	5,609
CAPITAL PROJECT FUNDS:						
Capital Improvement	94,584	50,000	-	144,584	-	144,584
Equipment Reserve	31,914	10,000	-	41,914	-	41,914
BUSINESS FUNDS:						
Water Utility	136,766	241,647	211,041	167,372	4,604	171,976
Sewer Utility	237,937	179,729	213,834	203,832	1,126	204,958
Gas Utility	99,128	341,795	321,985	118,938	408	119,346
AGENCY FUNDS:						
Utility Deposits	32,550	13,750	11,900	34,400	-	34,400
Total Reporting Entity	\$ 748,425	\$ 1,320,062	\$ 1,201,466	\$ 867,021	\$ 13,576	\$ 880,597

Checking Accounts	\$ 382,812
Money Market and Savings Accounts	254,097
Certificate of Deposits	243,688
Total Reporting Entity	<u>\$ 880,597</u>

The notes to the financial statement are an integral part of this statement

City of McLouth, Kansas
Notes to the Financial Statements
December 31, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Financial Reporting Entity

The City of McLouth is a municipal corporation governed by an elected mayor and an elected five-member council. The regulatory financial statement presents the City of McLouth (the municipality).

The related municipal entity is not included in the City's reporting entity even though it was established to benefit the City and/or its constituents.

Library Board - The Library Board operates the City's public library. Acquisition or disposition of real property by the board must be approved by the City. Bond issuances must also be approved by the City. Complete financial records for the Library Board may be reviewed at their administrative offices.

(b) Regulatory Basis Fund Types

General fund – the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose fund – used to account for the proceeds of specific tax levies and other specific revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest fund – used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

Capital Project fund – used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

Business fund – funds financed in whole or in part by fees charged to users of the goods or services (i.e. water fund, electric fund, etc.).

Trust fund – funds used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

Agency fund – funds used to report assets held by the municipal reporting entity in a purely custodial capacity (i.e. payroll clearing fund, county treasurer tax collection accounts, etc.).

(c) Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

The Kansas Municipal Audit and Accounting Guide (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The City has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the City to use the regulatory basis of accounting.

(d) Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted from the General Fund, Special Purpose Funds (unless specifically exempted by statute), Bond and Interest Funds and Business Funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

- 1) Preparation of the budget for the succeeding calendar year on or before August 1st
- 2) Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
- 3) Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
- 4) Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for the year 2014.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for Capital Project Funds and Agency Funds.

Spending in funds which are not subject to the legal annual operating budget requirement are controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Kansas Statutes

The City is not aware of any non-compliance with Kansas Statutes.

3. DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located or in an adjoining county if such an institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the City's investment of idle funds to time deposits, open accounts and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements;

and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices.

Concentration of credit risk. State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutes to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at December 31, 2014.

At December 31, 2014, the City's carrying amount of deposits was \$880,596 and the bank balance was \$927,683. The bank balance was held by 1 bank resulting in a concentration of credit risk. Of the bank balance \$250,000 was covered by federal depository insurance and the remaining \$677,683 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

Custodial Credit Risk – Investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

4. LONG-TERM DEBT

Changes in long-term liabilities for the City of McLouth, Kansas for the year ended December 31, 2014 were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds: 2005 Issue	3.75% to 5.00%	6/1/2005	\$ 100,000	10/1/2015	\$ 20,000	\$ -	\$ 10,000	\$ 10,000	\$ 990
KDHE Loans:									
Water Improvements	4.31%	11/18/1997	1,132,133	02/1/2019	350,987	-	57,849	293,138	14,511
Sewer Improvements	3.57%	04/05/2000	1,702,238	09/1/2021	728,718	-	80,215	648,503	25,306
Total Contractual Indebtedness					<u>\$ 1,099,705</u>	<u>\$ -</u>	<u>\$ 148,064</u>	<u>\$ 951,641</u>	<u>\$ 40,807</u>

Current maturities of long-term debt and interest through maturity are as follows:

	2015	2016	2017	2018	2019	2020-2021	Total
Principal							
General Obligation Bonds	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,000
KDHE Loan – Water	60,370	62,999	65,744	68,608	35,417	-	293,138
KDHE Loan – Sewer	83,104	86,098	89,199	92,412	95,740	201,950	648,503
Total Principal	<u>153,474</u>	<u>149,097</u>	<u>154,943</u>	<u>161,020</u>	<u>131,157</u>	<u>201,950</u>	<u>951,641</u>
Interest:							
General Obligation Bonds	500	-	-	-	-	-	500
KDHE Loan – Water	11,991	9,361	6,616	3,752	763	-	32,483
KDHE Loan – Sewer	22,416	19,423	16,322	13,109	9,781	9,092	90,143
Total Interest	<u>34,907</u>	<u>28,784</u>	<u>22,938</u>	<u>16,861</u>	<u>10,544</u>	<u>9,092</u>	<u>123,126</u>
Total Principal and Interest	<u>\$ 188,381</u>	<u>\$ 177,881</u>	<u>\$ 177,881</u>	<u>\$ 177,881</u>	<u>\$ 141,701</u>	<u>\$ 211,042</u>	<u>\$ 1,074,767</u>

5. DEFINED BENEFIT PENSION PLAN

Plan Description. The City participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by Kansas law. KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report (only one is issued) that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S. Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Funding Policy. K.S.A. 74-419 and K.S.A. 74-49,210 establishes the KPERS member-employee contribution rates. Effective July 1, 2009 KPERS has two benefit structures and funding depends on whether the employee is a Tier 1 or Tier 2 member. Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009. Kansas law establishes the KPERS member-employee contribution rate at 5% of covered salary for Tier 1 members and at 6% of covered salary for Tier 2 members. The employer collects and remits member-employee contributions according to the provisions of section 414(h) of the Internal Revenue Code. Kansas law provides that the employer contribution rates be determined annually based on the results of an annual actuarial valuation. KPERS is funded on an actuarial reserve basis. Kansas law sets a limitation on annual increases in the employer contribution rates.

The State of Kansas is required to contribute the statutory required employers share.

6. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

(a) Other Post Employment Benefits

As provided by K.S.A. 12-5040, the City allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the City is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

(b) Other Employee Benefits

Vacation – A full-time employee may accrue vacation of 6.67 hours per month with 0 to 5 years of service, 8 hours per month with 6 to 10 years of service, 10 hours per month with 11 to 15 years of service and 12 hours per month with more than 15 years of service. The maximum amount of vacation available is three weeks per year. Vacation is vested, and terminating employees will be paid for vacation not taken. The cost of accumulated vacation leave is shown in Footnote 12 and will be recorded as an expenditure at the time the vacation is utilized, as normal personal service expenditure.

The cost of accumulated vacation leave is \$15,157 and will be recorded as expenditures at the time the vacation leave is utilized, as normal personal service expenditures.

Sick Leave - Full-time employees may accrue sick leave at the rate of 1 day per month with a maximum accumulation of 90 days. Upon termination or resignation, no payment for unused sick leave will be made. The cost of accumulated sick pay has not been estimated or accrued by the City as of December 31, 2014 since no liability to pay upon termination.

7. CLAIMS AND JUDGMENTS

The City participates in federal, state and county programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the grantor government. As of the date of this report, grant expenditures have not been audited, but the City believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the City.

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets, errors and omissions; injuries to employees; and natural disasters. The City has purchased commercial insurance for these potential risks. There have been no significant reductions in insurance coverage from 2013 to 2014 and there were no settlements that exceeded insurance coverage in the past three years.

During the ordinary course of its operations the City is a party to various claims, legal actions and complaints. It is the opinion of the City's management and legal counsel that these matters are not anticipated to have a material financial impact on the City.

8. INTERFUND TRANSFERS

Operating transfers were as follows:

From:	To:	Statutory Authority	Amount
General	Capital Improvements	K.S.A. 12-1,118	30,000
Sewer	Equipment Reserve	K.S.A. 12-1,118	5,000
Sewer	Capital Improvements	K.S.A. 12-1,118	20,000
Water	Equipment Reserve	K.S.A. 12-1,118	5,000

9. SUBSEQUENT EVENTS

Management has evaluated the effects of the financial statement of subsequent events occurring through the date of the report which is the date at which the financial statement was available to be issued.

CITY OF MCLOUTH, KANSAS
REGULATORY-REQUIRED
SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2014

City of McLouth, Kansas
Summary of Expenditures – Actual and Budget
Regulatory Basis
(Budgeted Funds Only)
For the Year Ended December 31, 2014

Description	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable To Current Year Budget	Variance Over (Under)
GENERAL	\$ 430,520	\$ -	\$ 430,520	\$ 368,809	\$ (61,711)
SPECIAL PURPOSE FUNDS:					
Law Enforcement	18,480	-	18,480	16,044	(61)
Fire Equipment	12,541	-	12,541	2,184	(2,436)
Library	22,441	-	22,441	22,380	(10,357)
Special Highway	22,720	-	22,720	22,298	(422)
BOND AND INTEREST FUND:					
Bond and Interest	15,124	-	15,124	10,991	(4,133)
BUSINESS FUNDS:					
Water Utility	300,098	-	300,098	211,041	(89,057)
Sewer Utility	434,925	-	434,925	213,834	(221,091)
Gas Utility	344,419	-	344,419	321,985	(22,434)

City of McLouth, Kansas
General Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2014

	2013	2014		
	Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Ad Valorem Property	\$ 199,477	\$ 199,802	\$ 215,692	\$ (15,890)
Delinquent	6,721	10,891	-	10,891
Motor Vehicle	22,788	26,366	22,843	3,523
Recreational Vehicle	272	321	316	5
16/20M Truck	303	133	306	(173)
Commercial Vehicle Tax	-	88	-	88
Alcohol	1,218	-	1,000	(1,000)
Franchise Fees	35,819	39,827	34,500	5,327
Sanitation	53,695	54,130	53,762	368
Sales Tax	43,581	46,868	42,000	4,868
Licenses, Fees and Permits	2,310	2,073	850	1,223
Municipal Court	20,989	18,880	20,000	(1,120)
Interest on Idle Funds	1,652	1,327	500	827
Miscellaneous	2,839	3,567	-	3,567
Total Receipts	391,664	404,273	\$ 391,769	\$ 12,504
Expenditures:				
Salaries and Wages	46,639	43,631	\$ 64,396	\$ (20,765)
Employee Benefits	12,954	25,771	17,963	7,808
Police Salaries and Wages	82,033	79,015	94,230	(15,215)
Police Employee Benefits	25,385	12,614	28,202	(15,588)
General Government	18,942	35,168	37,108	(1,940)
Legal/Contract/Administration	10,818	9,118	10,000	(882)
Sanitation	53,424	54,183	54,077	106
Streets	23,564	30,850	39,000	(8,150)
Police Operations and Maintenance	29,523	29,186	29,009	177
Fire Operations and Maintenance	7,026	4,144	7,800	(3,656)
Court	29,273	15,129	33,166	(18,037)
Capital Outlay	-	-	5,569	(5,569)
Transfers	10,000	30,000	10,000	20,000
Total Expenditures	349,581	368,809	\$ 430,520	\$ (61,711)
Receipts Over (Under) Expenditures	42,083	35,464		
Unencumbered Cash, January 1	39,322	81,405		
Unencumbered Cash, December 31	\$ 81,405	\$ 116,869		

City of McLouth, Kansas
 Law Enforcement Fund
 Schedule of Receipts and Expenditures – Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2014

	2013	2014		Variance
	Actual	Actual	Budget	Over (Under)
Receipts:				
Ad Valorem Property	\$ 8,381	\$ 8,637	\$ 9,324	\$ (687)
Delinquent	285	459	-	459
Motor Vehicle	988	1,121	960	161
Recreational Vehicle	12	13	13	-
16/20M Truck	12	6	13	(7)
Commercial Truck Tax	-	4	-	4
Total Receipts	9,678	10,240	\$ 10,310	\$ (70)
Expenditures:				
Commodities	-	3,044	\$ 2,000	\$ 1,044
Capital Outlay	-	13,000	16,480	(3,480)
Total Expenditures	-	16,044	\$ 18,480	\$ (2,436)
Receipts Over (Under) Expenditures	9,678	(5,804)		
Unencumbered Cash, January 1	8,394	18,072		
Unencumbered Cash, December 31	\$ 18,072	\$ 12,268		

City of McLouth, Kansas
 Fire Equipment Fund
 Schedule of Receipts and Expenditures – Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2014

	2013	2014		Variance
	Actual	Actual	Budget	Over (Under)
Receipts:				
Ad Valorem Property	\$ 8,381	\$ 8,637	\$ 9,324	\$ (687)
Delinquent	305	471	-	471
Motor Vehicle	999	1,121	960	161
Recreational Vehicle	12	13	13	-
16/20M Truck	12	6	13	(7)
Commercial Truck Tax	-	4	-	4
Total Receipts	9,709	10,252	\$ 10,310	\$ (58)
Expenditures:				
Public Safety	5,450	2,184	\$ 2,000	\$ 184
Capital Outlay	-	-	10,541	(10,541)
Total Expenditures	5,450	2,184	\$ 12,541	\$ (10,357)
Receipts Over (Under) Expenditures	4,259	8,068		
Unencumbered Cash, January 1	8,908	13,167		
Unencumbered Cash, December 31	\$ 13,167	\$ 21,235		

City of McLouth, Kansas
Library Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2014

	2013	2014		Variance
	Actual	Actual	Budget	Over (Under)
Receipts:				
Ad Valorem Property	\$ 18,990	\$ 18,718	\$ 20,207	\$ (1,489)
Delinquent	676	1,065	-	1,065
Motor Vehicle	2,300	2,544	2,175	369
Recreational Vehicle	27	31	30	1
16/20M Truck	30	14	29	(15)
Commercial Truck Tax	-	8	-	8
Total Receipts	22,023	22,380	\$ 22,441	\$ (61)
Expenditures:				
Recreation and Culture	22,023	22,380	\$ 22,441	\$ (61)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, January 1	-	-		
Unencumbered Cash, December 31	\$ -	\$ -		

City of McLouth, Kansas
Special Highway Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2014

	2013	2014		Variance
	Actual	Actual	Budget	Over (Under)
Receipts:				
Special Highway Tax	\$ 21,881	\$ 22,298	\$ 22,720	\$ (422)
Miscellaneous	768	-	-	-
Total Receipts	22,649	22,298	\$ 22,720	\$ (422)
Expenditures:				
Street Repair and Maintenance	22,704	22,298	\$ 22,720	\$ (422)
Receipts Over (Under) Expenditures	(55)	-		
Unencumbered Cash, January 1	55	-		
Unencumbered Cash, December 31	\$ -	\$ -		

City of McLouth, Kansas
Bond and Interest Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2014

	2013	2014		
		Actual	Budget	Variance Over (Under)
Receipts:				
Ad Valorem Property	\$ 11,066	\$ 11,556	\$ 12,475	\$ (919)
Delinquent	382	618	-	618
Motor Vehicle	1,353	1,493	1,267	226
Recreational Vehicle	16	18	18	-
16/20M Truck	16	8	17	(9)
Commercial Truck Tax	-	5	-	5
Total Receipts	12,833	13,698	\$ 13,777	\$ (79)
Expenditures:				
Debt Service	11,461	10,991	\$ 10,990	\$ 1
Cash Basis Reserve	-	-	4,134	(4,134)
Total Expenditures	11,461	10,991	\$ 15,124	\$ (4,133)
Receipts Over (Under) Expenditures	1,372	2,707		
Unencumbered Cash, January 1	1,530	2,902		
Unencumbered Cash, December 31	\$ 2,902	\$ 5,609		

City of McLouth, Kansas
Non-Budgeted Funds
Schedule of Receipts and Expenditures – Actual
Regulatory Basis
For the Year Ended December 31, 2014

	Capital Improvement	Equipment Reserve
Receipts:		
Transfer – General	\$ 30,000	\$ -
Transfer - Sewer	20,000	5,000
Transfer - Water	-	5,000
	<hr/>	<hr/>
Total Receipts	50,000	10,000
	<hr/>	<hr/>
Expenditures:		
Capital Outlay	-	-
	<hr/>	<hr/>
Total Expenditures	-	-
	<hr/>	<hr/>
Receipts Over (Under) Expenditures	50,000	10,000
Unencumbered Cash, January 1	94,584	31,914
	<hr/>	<hr/>
Unencumbered Cash, December 31	<u>\$ 144,584</u>	<u>\$ 41,914</u>

City of McLouth, Kansas
Water Utility Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2014

	2013	2014		
		Actual	Budget	Variance Over (Under)
Receipts:				
Charges for Services	\$ 248,235	\$ 241,215	\$ 250,421	\$ (9,206)
Interest on Idle Funds	207	412	-	412
Miscellaneous	1,166	20	3,090	(3,070)
Total Receipts	249,608	241,647	\$ 253,551	\$ (11,864)
Expenditures:				
Salaries and Wages	40,482	35,893	\$ 47,766	\$ (11,873)
Employee Benefits	12,523	11,440	14,553	(3,113)
Debt Service	72,360	72,360	72,360	-
Training, Testing and Fees	3,270	2,466	4,777	(2,311)
Operations and Maintenance	29,345	36,888	50,250	(13,362)
Insurance	4,952	4,773	5,400	(627)
Legal and Contract Services	3,809	4,216	2,800	1,416
Water Purchase	44,918	37,691	49,200	(11,509)
Capital Outlay	-	-	42,992	(42,992)
Miscellaneous	1,455	314	-	314
Transfer – Capital Improvements	-	5,000	10,000	(5,000)
Total Expenditures	213,114	211,041	\$ 300,098	\$ (89,057)
Receipts Over (Under) Expenditures	36,494	30,606		
Unencumbered Cash, January 1	100,272	136,766		
Unencumbered Cash, December 31	\$ 136,766	\$ 167,372		

City of McLouth, Kansas
Sewer Utility Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2014

	2013	2014		
		Actual	Budget	Variance Over (Under)
Receipts:				
Charges for Services	\$ 181,761	\$ 178,899	\$ 198,200	\$ (19,301)
Interest on Idle Funds	620	830	-	830
Miscellaneous	63	-	4,635	(4,635)
Total Receipts	182,444	179,729	\$ 202,835	\$ (23,106)
Expenditures:				
Salaries and Wages	20,748	32,888	\$ 22,639	\$ 10,249
Employee Benefits	9,389	10,945	9,106	1,839
Training, Testing and Fees	4,952	505	1,090	(585)
Operations and Maintenance	24,605	23,938	28,350	(4,412)
Insurance	-	4,773	5,200	(427)
Legal and Contract Services	4,954	10,166	7,000	3,166
Capital Outlay	565	-	235,940	(235,940)
Miscellaneous	1,037	98	-	98
Debt Service	105,521	105,521	105,600	(79)
Transfer – Capital Improvements	10,000	20,000	20,000	-
Transfer – Equipment Reserve	-	5,000	-	5,000
Total Expenditures	181,771	213,834	\$ 434,925	\$ (221,091)
Receipts Over (Under) Expenditures	673	(34,105)		
Unencumbered Cash, January 1	237,264	237,937		
Unencumbered Cash, December 31	\$ 237,937	\$ 203,832		

City of McLouth, Kansas
Gas Utility Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2014

	2013	2014		
	Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Charges for Services	\$ 221,820	\$ 322,563	\$ 210,428	\$ 112,135
Interest on Idle Funds	243	412	200	212
Reimbursements	100,079	18,820	-	18,820
Miscellaneous	-	-	-	-
Total Receipts	322,142	341,795	\$ 210,628	\$ 131,167
Expenditures:				
Salaries and Wages	53,020	46,425	\$ 56,430	\$ (10,005)
Employee Benefits	14,495	13,355	13,800	(445)
Training, Testing and Fees	237	73	-	73
Operations and Maintenance	17,222	16,261	15,590	671
Insurance	4,952	5,285	5,200	85
Legal and Contract Services	5,266	5,011	5,500	(489)
Gas Purchase	146,856	235,347	190,000	45,347
Capital Outlay	114,466	-	37,899	(37,899)
Miscellaneous	-	228	-	228
Transfer – Capital Improvements	-	-	20,000	(20,000)
Total Expenditures	356,514	321,985	\$ 344,419	\$ (22,434)
Receipts Over (Under) Expenditures	(34,372)	19,810		
Unencumbered Cash, January 1	133,500	99,128		
Unencumbered Cash, December 31	\$ 99,128	\$ 118,938		

City of McLouth, Kansas
 Utility Deposit Fund
 Schedule of Receipts and Expenditures – Actual
 Regulatory Basis
 For the Year Ended December 31, 2014

	2013	2014
Receipts:		
Water Deposits	\$ 2,900	\$ 3,675
Sewer Deposits	2,900	3,475
Gas Deposits	5,800	6,600
	<hr/>	<hr/>
Total Receipts	11,600	13,750
	<hr/>	<hr/>
Expenditures:		
Water Deposit Refund	3,025	2,975
Sewer Deposit Refund	3,025	2,975
Gas Deposit Refund	6,200	5,950
	<hr/>	<hr/>
Total Expenditures	12,250	11,900
	<hr/>	<hr/>
Receipts Over (Under) Expenditures	(650)	1,850
Unencumbered Cash, January 1	33,200	32,550
	<hr/>	<hr/>
Unencumbered Cash, December 31	\$ 32,550	\$ 34,400
	<hr/>	<hr/>